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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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*file  
Goldstrike mine*

March 17, 1993

TO: Lowell P. Braxton, Acting Director

FROM: D. Wayne Hedberg, Permit Supervisor *DWH*

RE: Disturbed Acreage Error, Amount and Form of Replacement Surety, Tenneco Minerals Company - Utah (TMC-Utah), Goldstrike Mine, M/053/005, Washington County, Utah

The purpose of this memo is to document a typographical error that has been recently discovered with regard to the total disturbed acres as identified on TMC - Utah's latest revised Reclamation Contract and reclamation Surety Bond forms. The total permitted disturbed acreage is listed as 382 acres and should be 387.

The legal descriptions attached to the contract form & surety are correct except for the same 382 acre typographical error. It is my opinion that this minor error should not require that new forms be completed by the operator and surety company. The reasons are as follows:

1. The current legal descriptions are correct covering the full 387 acres.
2. The discrepancy is less than 2%, and may be within the planimeter error for this property.
3. The mine has recently been sold to USMX Incorporated. USMX is aware of the typographical error and has already given us a new "draft" Reclamation Contract and Reclamation Surety with the correct 387 acre figure. USMX intends to have these replacement surety forms finalized by the April 28, 1993 board hearing.
4. The operator's mine plan currently reflects the corrected 387 disturbed acreage figure.
5. The latest replacement reclamation contract and surety bond forms are tied directly to a permit transfer document which we have been trying to finalize for TMC-Utah before the USMX can legally assume the Goldstrike permit.
6. It is unlikely that new replacement forms with the corrected acreage figure could be completed by TMC-Utah and their surety in time for the March 24, 1993 hearing. This would delay our going ahead for at least another month and require a needless expenditure of time, money and effort from all involved parties.
7. I have spoken with Mark Bardwell, of Tenneco Minerals Corporate office about the error and he had no objection or concern with our proceeding ahead and acknowledged the error.

Page 2  
Lowell Braxton  
memo  
March 17, 1993

In conclusion, it is my recommendation that we acknowledge the error and proceed ahead with our Board presentation and the finalize the outstanding permit transfer. Please contact me if you have further questions or concerns in this matter.

dwh  
cc: Tom Mitchell, AAG  
M053005.mem